

# Reforms to Strengthen ATP

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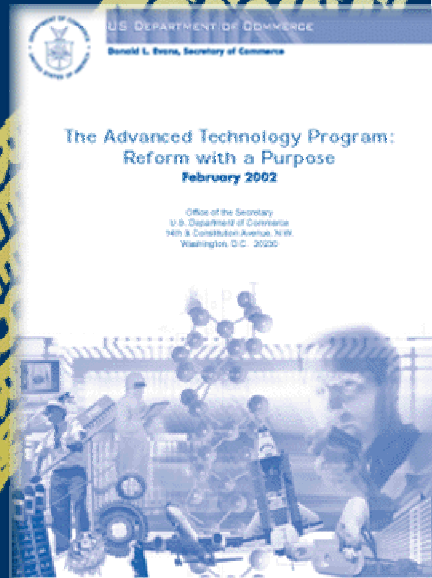
GOVERNMENT-INDUSTRY PARTNERSHIPS



## THE ADVANCED TECHNOLOGY PROGRAM

Assessing Outcomes

BOARD ON SCIENCE, TECHNOLOGY, AND ECONOMIC POLICY  
NATIONAL RESEARCH COUNCIL



NIST

## 2000 Annual Report of the Advanced Technology Program Advisory Committee



U.S. DEPARTMENT OF COMMERCE  
TECHNOLOGY ADMINISTRATION  
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY  
ADVANCED TECHNOLOGY PROGRAM

DAWGNET 2001

**ATP**  
ADVANCED TECHNOLOGY PROGRAM

“Technologies developed through the Advanced Technology Program (ATP) have significant potential to bring economic growth and benefits to the entire nation. I feel strongly that implementation of these reforms will provide ATP with the proper tools and direction it needs to be effective in the Twenty-first Century.”

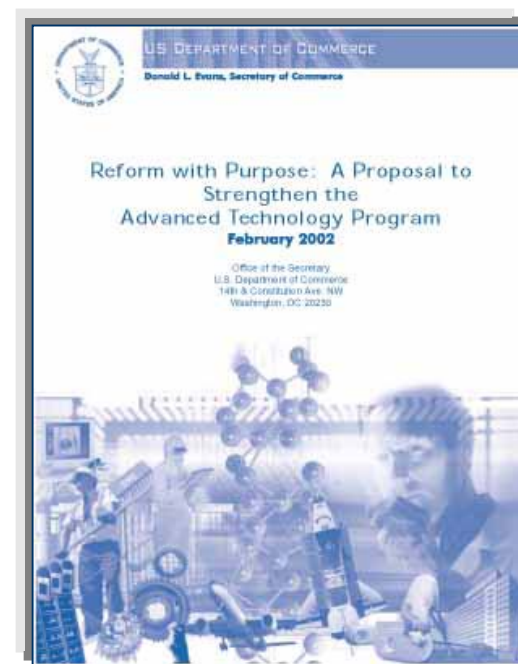
Donald L. Evans  
*Secretary of Commerce*

# Outline

- **Reforms**
- **Other Assessments**
- **Future**

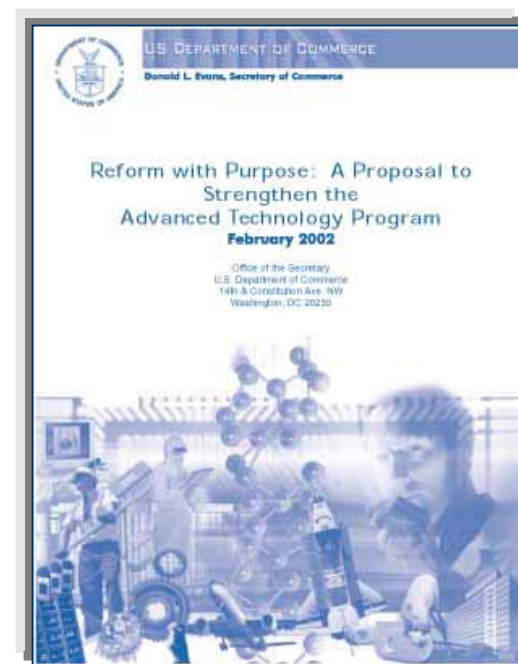
# Secretary's Evaluation Recommendations from *Reform with a Purpose*

- Allow universities to lead ATP Joint Ventures (JVs)
- Allow universities to negotiate over Intellectual Property (IP) rights in JVs
- Limit large firms' participation to JVs
- Reinvest a percentage of revenues derived from ATP-funded technologies back into the Program



# Secretary's Evaluation Recommendations from *Reform with a Purpose*

- Ensure that ATP funding is used only to support removal of scientific or technological barriers to product development
- Determine whether additional private-sector, non-proprietary input would improve the ability of ATP's selection boards to assess funding requests



# **Reform 1: University Leadership of Joint Ventures**

- Allow institutions of higher learning to lead ATP Joint Ventures
  - Substantial corporate involvement
- Move closer to basic research end of the research-to-product development spectrum

## **Reform 2: University and Other Non-Profit Organization Ownership of ATP-Funded Patents**

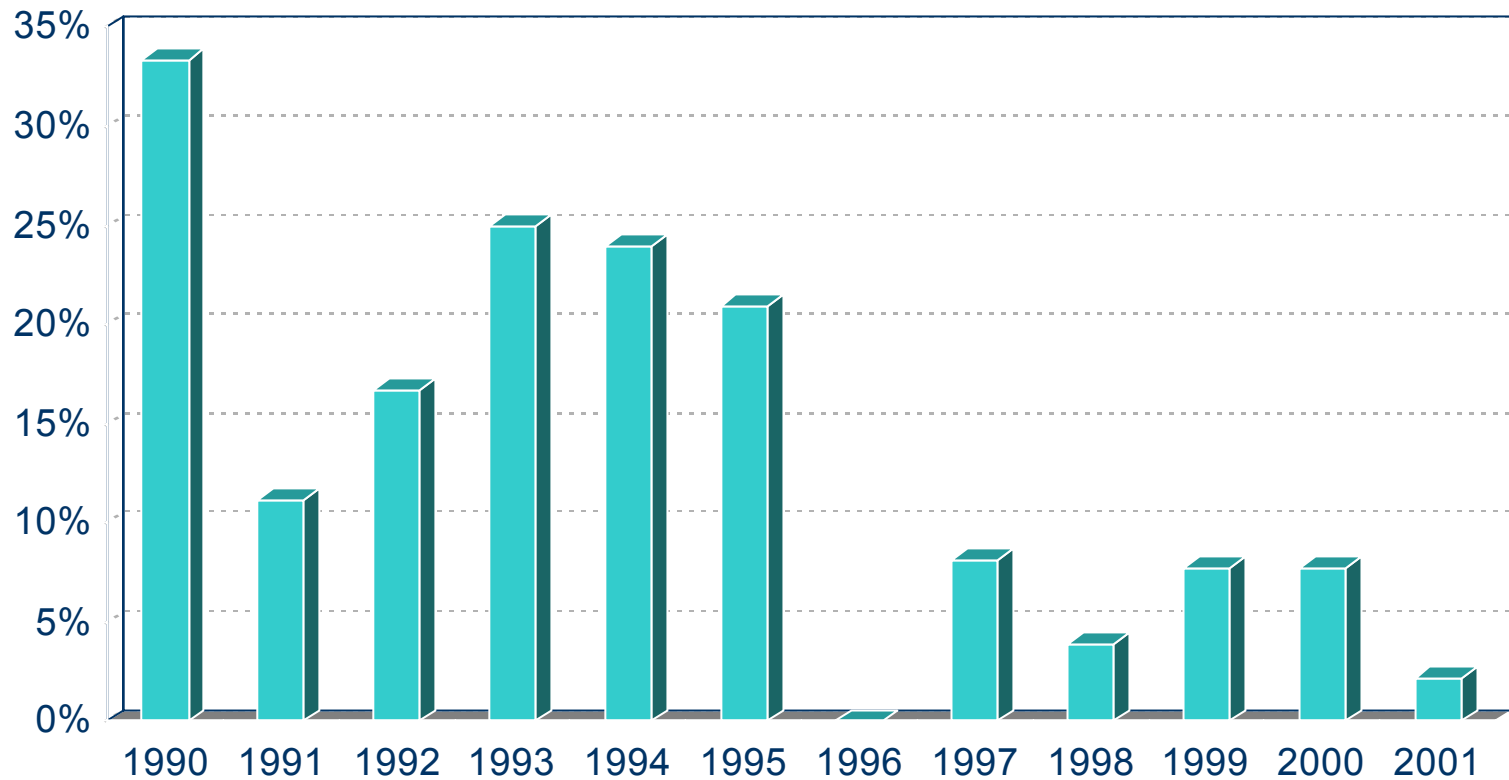
- Increase university participation
- Acknowledge universities adept at managing IP
  - Negotiating rights with industry for over 20 years

## **Reform 3: Retain Large-Firm Participation in Joint Ventures**

- Limit role of large firms
  - Joint Ventures versus Single Applicants
  - Powerful mechanism for development of enabling technologies
- Program's objectives stay intact



# Trends in Large Firm Participation as Single Applicants – *as a Percentage of Single Applicant Awards*



## **Reform 4: Royalties on Government Investments in Profitable ATP Joint Ventures**

- Only applies to awardees achieving success from ATP-funded product or innovation
- Reinvest royalties
- Increase equity and stability

## **Reform 5: Ensure ATP Funding Only Used to Support Removal of Scientific or Technological Barriers**

- Restrict support of later stage commercial projects
- Enhance ability to differentiate proposals that clearly do not cross into product development
- Modify selection and management procedures

# **Reform 6: Project Review and Evaluation Process: Additional Information**

- Improve business evaluation
- Conduct study to determine most appropriate mechanisms
  - “Trends Analysis”
  - Contracting with specialized scholars
  - Additional off-the-shelf market analysis reports

# **Other Assessments...**

# Other Assessments

- *The Advanced Technology Program:  
Assessing Outcomes*
  - **National Research Council (NRC)**
- *2000 Annual Report of the ATP Advisory  
Committee*
  - **ATP Advisory Committee**

# Recommendations

- Stability for R&D funding (NRC)
- Large company involvement (NRC and ATP Advisory Committee)
- Window for award applications (NRC)
- Integration of assessment results into the decision process (NRC)
- Thematic investments (NRC and ATP Advisory Committee)
- Award Cap (ATP Advisory Committee)

# **Additional Findings**

- **Beneficial impact**
  - Secretary's Report, NRC Study, ATP Advisory Committee Annual Report, VCAT Annual Report
- **Exceptional assessment effort**
  - NRC Study, ATP Advisory Committee Annual Report
- **Well-managed**
  - NRC Study, VCAT Annual Report



**Future...**

# Major Challenge Ahead

- **Stability**

- *Reform with a Purpose* (Secretary Evans)
- *The Advanced Technology Program:  
Assessing Outcomes* (NRC)
- *2000 Annual Report of the ATP Advisory  
Committee* (ATP Advisory Committee)

# **Bottom Line**

- **Reforms**
  - **Proper tools**
  - **Direction**
  - **Needed Stability**